

# Participant Manual for Beverage Manufacturers & Distributors



*(Revised 1/08)*



## **PREFACE**

The Department of Conservation's Division of Recycling (Department) prepared this manual to help beverage manufacturers and distributors complete the various reporting forms required by the Beverage Container Recycling and Litter Reduction Act (Public Resources Code, Division 12.1 (PRC), beginning at Section 14500) and related regulations of the Department. (Title 14 of the California Code of Regulations (14CCR), beginning at Section 2000.)

Excerpts and paraphrases of applicable supporting sections of the PRC and 14CCR have been included throughout this manual along with references to the sections used. This manual does not intend to replace the PRC and/or 14CCR pertaining to beverage manufacturers and distributors. Therefore, participants should refer to the referenced sections of the PRC and 14CCR for the full context of each section.

It is recommended that participants periodically check with the Department at (916) 327-7361, (916) 323-1835 or our web-site to obtain the most recent copy of the published rates and of this manual since legislative and regulatory changes may occur since the last publication ([http://www.conservation.ca.gov/dor/dmr/bev\\_dist\\_manuf/Pages/index.aspx](http://www.conservation.ca.gov/dor/dmr/bev_dist_manuf/Pages/index.aspx)).

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## **SECTION I – Introduction**

### **A. Overview of the California Beverage Container Recycling and Litter Reduction Act (Act)**

The Act established the California Beverage Container Recycling Fund (Fund), which is administered by the Department of Conservation (Department). Distributors and beverage manufacturers pay the Department redemption payments and processing fees based upon the number of eligible beverage containers sold or transferred in California. The money is deposited into the Fund and is used to pay California Refund Value (CRV), processing payments, handling fees, various grant and incentive-based program expenditures, and administrative costs.

Beverage containers covered under the Act are those containers filled with:

- beer and other malt beverages
- wine coolers and distilled spirit coolers
- carbonated and noncarbonated mineral and soda waters
- carbonated and noncarbonated waters
- carbonated and noncarbonated soft drinks
- sports drinks
- carbonated and noncarbonated fruit drinks (with any percentage of fruit juice)
- coffees,
- tea drinks
- vegetable juices (16 ounces or less)

Beverages covered under the Act must be in liquid and ready-to-drink form, intended for human consumption, and sold in aluminum, glass, plastic and bimetal containers.

“Beverage” does not include:

- wine, or wine from which alcohol has been removed in whole or in part, whether or not sparkling or carbonated
- milk
- medical food
- infant formula
- 100% fruit juice in containers 46 ounces or greater in volume

A beverage that is not sold in aluminum, glass, plastic or bimetal is excluded.

“Beverage Container” means the individual, separate bottle, can, jar, carton, or other receptacle, however denominated, in which a beverage is sold and, which is constructed of aluminum, glass, plastic or bimetal.

The legislative intent of the beverage container recycling program is to reach a statewide recycling goal of 80 percent, to significantly reduce the beverage container litter component in California, and to create and maintain a marketplace where it is

profitable to establish sufficient recycling centers and locations to provide consumers with convenient recycling opportunities.

## **B. Introduction of the Department of Conservation/Division of Recycling**

The Department's Division of Recycling (Department) manages California's beverage container recycling program. The Department's goal is to promote the beverage container recycling efforts of California consumers by providing assistance and educational information. The Department also works to increase participation in the program by promoting and supporting expanded markets for recycled materials.

The success of the program depends on effective coordination between government and the private sector. Communication and availability of information plays an important role in developing this coordination.

The Department also allocates funds in the form of grants to cities, counties, local community conservation corps and other organizations for recycling activities, litter abatement and public education; certifies operators of processing facilities, recycling centers, drop-off and collection programs; registers curbside programs; establishes the CRV per pound, processing fee, and processing payment rates; and performs participant audits and investigations.

## **C. Introduction to the Service Contractor**

The Department is assisted by a service contractor to operate the Payment and Report Processing System (PRPS). The service contractor is responsible for providing the following services:

- Receive, edit and process source documents from participants.

- Provide liaison services between participants and the Department.

- Provide forms, manuals, training and technical assistance to industry participants.

- Record cash receipts, accounts receivable, and perform revenue accounting.

- Record disbursements.

- Maintain the participant master file database.

- Compile program statistics and prepare reports on program performance.

- Provide program accounting reports.

Service contractor personnel are available to assist participants in report preparation and to respond to issues related to the PRPS.

To request additional Beverage Manufacturer (DR-4) or, Distributor (DR-3) report forms, please contact:

IKON Office Solutions Inc.  
Attn: PRPS UNIT – Order Department  
3062 Prospect Park Drive, Suite A  
Sacramento, CA 95670

Phone: (916) 852-1010  
Fax: (916) 638-0909

Please be ready to provide your participant ID number (BM or DS) when ordering report forms.

## **SECTION II – General Program Policies and Procedures**

### **A. Submission of Reports and Payments**

Beverage manufacturer and/or distributor reports and associated processing fees and/or redemption payments should be sent to:

Department of Conservation  
P.O. Box 277820  
Sacramento, CA 95827  
Attn: PRPS Unit

NOTE: For your convenience, the address above is also printed in red ink at the bottom of each report form.

If you need to send mail to a street address (special delivery purposes), please send it to:

Department of Conservation  
Division of Recycling  
801 K Street, MS 22-15  
Sacramento, CA 95814-3533  
Attn: Accounting Office

Between 8:00 A.M. and 5:00 P.M. (Pacific Standard Time)

Reports and associated payments **must** be received according to the following time frames:

**Beverage Manufacturer Reports (DR-4)** and applicable processing fee payments just be submitted by the 10th day of the second month following the month of sales (e.g., January 2006 reports and payments are due by March 10, 2006; February 2006 due by April 10, 2006).

**Distributor Reports (DR-3)** and associated redemption payments must be received from **Distributors** the last day of the third month following the month of sales. (e.g., February 2006 reports and payments are due by May 31, 2006; March 2006 due by June 30, 2006)

NOTE: Companies designated by the Department as Annual Reporters are the exception to these timeframes.

DR-4 and DR-3 reports submitted must be accurate, complete, typed, or legibly handwritten in **blue or black ink only** and submitted in English. **Do not use red or green ink on report forms for any purpose.** If typed or computer generated, the ink must be dark enough to be photocopied. Furthermore, each report must contain the following information:

- The full organization name, address and applicable identification number (i.e., BM ID# or DS ID#) of the entity preparing the report.
- The name and phone number of a contact person who can answer questions regarding the report.
- The reporting period must cover an entire calendar month even if not operational for the entire month. (e.g., 01/01/06 through 01/31/06, 04/01/06 through 04/30/06, etc.).

NOTE: Do not submit reports covering periods greater than one month unless specifically instructed by the Department to do so or, unless you have been approved as an annual reporter.

- An **original** signature and the title of the person authorized to prepare the report. Use of a rubber stamp or facsimile signature is not acceptable.
- The date report is signed.

NOTE: Failure to comply with these requirements may result in denial of the report. Denials shall not extend any applicable reporting deadline.

Processing fees and/or redemption payments **must** be submitted with the reports (i.e., DR-4 and DR-3). Payment **must** be issued by a U.S. bank in U.S. currency in the form of a check, draft, money order or cashier check and **must** be made payable to the **State of California, Department of Conservation** only.

NOTE: **CASH PAYMENTS ARE NOT ACCEPTABLE.**

## **B. ANNUAL REPORTING PROGRAM**

### **DISTRIBUTORS:**

Section 14574(b)(1) notwithstanding subdivision (a) of the Act, “if a distributor displays a pattern of operation in compliance with this division and regulations adopted pursuant to this division, to the satisfaction of the Department, the distributor may make a single annual payment of redemption payments.”

For eligibility, please see PRC, Section 14574(b)(1).

### **BEVERAGE MANUFACTURERS:**

Section 14575(h)(3)(A) notwithstanding paragraph (1) of the Act, “if a beverage manufacturer displays a pattern of operation in compliance with this division and the regulations adopted pursuant to this division, to the satisfaction of the Department, the beverage manufacturer may make a single annual payment of processing fees.”

For eligibility, please see PRC, Section 14575(h)(3)(A).

## **C. Report Tracer Requests**

Participants may inquire about the status of a submitted report by calling or writing to the Payment and Report Processing System (PRPS) Liaison Unit of IKON Office Solutions Inc., the Department’s service contractor.

### **Telephone Requests**

The PRPS Liaison Unit handles all telephone tracer requests that meet one of the following criteria:

- The report was submitted more than 10 business days prior to the tracer request.
- The participant noted an error on the report after submission.  
For example:
  - ✓ Used incorrect ID.
  - ✓ Used incorrect CRV and/or PF rates.
  - ✓ Used incorrect material type.
  - ✓ Used incorrect reporting period (month/year).

If one of these requirements is met, the PRPS Liaison Unit will attempt to trace the report immediately. If the report cannot be located within a reasonable amount of

time, the participant will be informed that the tracer will be processed as a written request.

### **Written Requests**

Written requests for report status may be made ten (10) business days after the date the report was submitted to the service contractor. The request should include the following information:

- Company's name and address.
- Identification number (BM or DS ID number assigned by the Department).
- Reporting period. (Example: 01-01-06 through 01-31-06)
- Amount of the payment submitted.
- Date the original report was submitted.
- A statement requesting a status report on a specific DR-3 or DR-4 report(s).

Reference number(s) of report(s) submitted (Form Serial Number – FSN, is located at the bottom right-hand corner of the DR-4/DR-3 report forms.)

Written requests will receive a written response from the PRPS Liaison Unit.

### **D. Incorrect Reports & Collection Letters for Underpayments (\$500 & above)**

In the event a report containing errors is submitted that cannot be corrected by a telephone call, the report will be put on suspension status. Beverage manufacturers and distributors have 48 hours from the time of notification, via telephone or fax, to correct the report and/or payment. Incorrect reports may be denied and returned to the participant.

Participants who underpay by \$500.00 or more are contacted and asked to remit the outstanding balance within three (3) business days or 72 hours.

Note: Always use the CRV, processing fee, and administrative fee rates for the applicable and specific reporting period.

Processing fee notices are published annually in mid-December and are also posted on the Department's website at: <http://www.consrv.ca.gov/DOR/Notices/Index.htm>

For the most current rates, please contact the Client Services Section at (916) 327-7361 or (916) 323-1835. The most current Historical Reporting Rates document can be obtained at:

[http://www.conservation.ca.gov/dor/dmr/bev\\_dist\\_manuf/Pages/index.aspx](http://www.conservation.ca.gov/dor/dmr/bev_dist_manuf/Pages/index.aspx)

### **E. Amended Reports**

An amended report is submitted by a beverage manufacturer or distributor correcting an original report that has been processed by the service contractor. To file an amended report, complete a new report with the information that should have been

on the original report. On the corrected report, check the box "Amendment to FSN" and record the form serial number (FSN) of the original report, which was submitted in error. The FSN appears in blue ink at the bottom right-hand corner of each report form.

## **F. Overpayments and Refunds**

If a participant has submitted a payment to the Department in excess of the actual amount due, a refund may be requested if the business is closing or if the overpayment significantly exceeds the amounts due. To request a refund, submit a written request to the Department. The request should be submitted on the company's letterhead and must include the following information:

- The specific reporting period(s) for which a refund is being requested.  
(Example: 01/01/2006 through 03/31/2006)
- The total amount of the refund requested.
- The reason(s) a refund is requested.
- The Form Serial Number (FSN) of the applicable report(s).  
(This number is on the DR-4/DR-3 forms at the bottom right-hand side.)

NOTE: If duplicate reporting caused the refund (that is, another participant paid the applicable processing fees and/or redemption payments for the same containers you reported), the request should include supporting documentation, including a letter from each company involved confirming they also paid the redemption payments and/or processing fees on the applicable product.

Written refund requests should be sent to:

Department of Conservation  
Division of Recycling  
801 K Street, MS 14-35  
Sacramento, CA 95814-3533  
Attn: Client Services Section

## **G. Late Payments**

Beverage manufacturers and distributors who fail to submit a timely report and payment for any month will incur interest. A Department account representative will attempt to contact the participant by phone, mail, and/or e-mail to request immediate payment. Continued failure to comply could result in the Department initiating a review/audit of the participant's records and/or filing a legal accusation to obtain amounts owed. For out-of-state manufacturers of beer and malt beverages, the Department may also pursue revocation of Certificates of Compliance issued by the California Department of Alcoholic Beverage Control (ABC).

If a beverage manufacturer or distributor is reporting sales for multiple months, a separate report for each month must be completed. However, it is acceptable to submit one check to cover the total amount due for all reports.

All late payments are subject to accrued interest. Accrued interest for late payments is calculated for each month beginning the day after the report is due and ending on the postmark date on the payment envelope

Accrued interest for late payments can be calculated using the following formula:

**(Total Amount Due) x (Total # of Days Late) x (Daily Interest Rate) = Accrued Interest**

Example:

- A payment for January 2006 totaling \$4,500 was due May 1, 2006. The payment envelope was postmarked May 15, 2006:

$$\text{\$4,500} \times 14 \times 0.0000618 = \text{\$3.89}$$

NOTE: Payment of accrued interest associated with a previous reporting month can be included with the payment for a current reporting month. Please include information on the copy of the Account Summary indicating the amount of the payment attributable to interest and clearly state the reporting months to which the interest payment applies.

## **H. Location and Retention of Records**

Beverage manufacturers and distributors shall notify the Department in writing of the address at which their business records will be kept (14CCR, Section 2085(a)(2)). Written notification of a change in location, or intent to establish a new location for the records, must be submitted to the Department no less than ten (10) working days prior to the change. The notification must include the full name of the person/entity, complete present and future address of the location of the records, and name and phone number of the individuals responsible for such records (14CCR, Section 2085(a)(3)). Please use the address shown below, when submitting updates to the Department.

Department of Conservation  
Division of Recycling  
801 K Street, MS 15-29  
Sacramento, CA 95814-3533  
Attn: Client Services Section

All business records are subject to audit by the Department pursuant to 14CCR, Section 2075 and must be retained for at least five (5) years following their preparation at the identified business address (14CCR, Section 2085(c)). Please refer to 14CCR, Sections 2235 (beverage manufacturers) and 14CCR, Section 2305 (distributors) for a listing of specific records and documents the Department requires you to prepare and retain.

## **I. Notification Procedures**

Participants have an obligation to promptly notify the Department of the following changes in their operation:

- Change of business name.
- Change of address or telephone number.
- Change of ownership.
- Close of business (include effective date of closure of business).

Notification should be in writing and sent to:

Department of Conservation  
Division of Recycling  
801 K Street, MS 15-29  
Sacramento, CA 95814-3533  
Attn: Client Services Section

## **J. Ordering Forms**

A supply of Beverage Manufacturer (DR-4) and Distributor (DR-3) report forms will be sent to you free of charge upon receipt of a request by mail, fax, or telephone to:

IKON Office Solutions Inc.  
Attn: PRPS UNIT - Order Department  
3062 Prospect Park Drive, Suite A  
Sacramento, CA 95670

PHONE: (916) 852-1010  
FAX: (916) 638-0909

Please provide your participant ID number (BM or DS) when ordering forms.

## **SECTION III – Beverage Manufacturer Recordkeeping and Reporting Procedures**

### **A. Definitions**

“Beverage manufacturer” is defined as “any person who bottles, cans or otherwise fills beverage containers, or imports filled beverage containers, for sale to distributors, dealers or consumers” (PRC, Section 14506).

A beverage manufacturer includes any person who imports filled beverage containers including:

- (A) Any consignee of filled beverage containers brought into California from other states or countries, when the filled beverage containers are for delivery, use or sale in California.
- (B) Any person or entity to whom delivery is first made in California of filled beverage containers brought in from other states or countries, when the filled beverage containers are for delivery, use or sale in California.
- (C) Any person or entity bringing filled beverage containers into California from other states or countries without being consigned to any person, when the filled beverage containers are for delivery, use, or sale in California (14CCR, Section 2000(a)(3.2).

### **B. Applicability**

Every beverage manufacturer is required to report and pay processing fees on beverage containers for which a processing fee applies (PRC, Section 14575(h)(1)). For beer and other malt beverages imported into California, a beverage manufacturer is the person or entity named on the certificate of compliance issued by the California Department of Alcoholic Beverage Control (PRC, Section 14575(h)(2)).

California beverage manufacturers may enter into an agreement with another entity or entities located outside of California to report and make payments on the beverage manufacturer’s behalf (14CCR, Section 2230(c)).

A California beverage manufacturer who enters into such an agreement is responsible for all reporting and payment requirements and is liable for any overdue and unpaid processing fees (14CCR, Section 2230(d)).

### **C. Recordkeeping**

Below is a listing of the records that must be maintained by beverage manufacturers. Please refer to the referenced sections of 14CCR for specific record information:

- Transactions with Container Manufacturers. Applicable bills of lading and other shipping documents (14CCR, Section 2235(a)).

- Disposition of Rejected Containers. Records shall include receipts or statements signed by the recycling center, processor or other recipient. Receipts shall state the weight by material type and payment or credit granted (14CCR, Section 2235(b)).
- Sales and Transfers of Beverage Containers by Beverage Manufacturer. Individual sale or transfer records of all sales or transfers to distributors, dealers, or consumers, and any payments made (14CCR, Section 2235(c)).
- Beverage Manufacturer Report (DR-4) and Payments. Copies of all DR-4 reports and proof of processing fees paid to the Department (14CCR, Section 2235(d)).

#### **D. Procedures for Completing Beverage Manufacturer Report (DR-4) Forms**

NOTE: An itemized copy of the DR-4 described in the procedures below can be found on page 14 and a sample of a completed DR-4 can be found on page 15 of this manual.

**Items 1-2: CCN –** Do not enter any information on these items. *These items are to be completed by the service contractor.*

**Item 3: Name and Address –** Enter the name and address of your company as it appears on the Department of Alcoholic Beverage Control's Certificate of Compliance or the Board of Equalization (BOE) Seller's permit.

**Item 4: Manufacturer Identification Number –** Enter the six-digit identification number assigned by the Department. This is a two-digit alpha, four-digit numeric identification number.

**BM\_\_ \_\_ \_\_ \_\_ is the only valid identification number format.**

**Beverage manufacturers are required to use their designated BM ID number when submitting DR-4 reports and remitting CRV payments to the Department.**

**Item 5: Reporting Period –** Enter the first and last dates of the month being reported. (e.g., 01/01/06 - 01/31/06).

NOTE: This period must be from the first day of the month through the very last day of the same month.

**Item 6: Amendment to FSN (Form Serial Number) –** Check this box if the report is amending a previously submitted report that has already been processed by the service contractor. Copy or transfer the form serial number (Item 17) of the original report in this box.

**Item 7: *Contact Person*** – Enter the name of the person who may be contacted by the service contractor to answer questions or clarifications about the report.

**Item 8: *Telephone Number*** – Enter the telephone number of the contact person, including the area code.

**Item 9: *Check Boxes*** – Check any appropriate box and, if applicable, provide the new information as a separate enclosure along with the DR-4.

NOTE: If you have nothing to report for this time period, check the appropriate box, complete items 15 and 16 and submit the report.

**Item 10: *Material Type Assessed PF*** – Material type(s) are listed here.

**Item 11: *Container Count*** - Enter the number of beverage containers sold or transferred to Distributors, dealers, or consumers in California for each material type reported. Do not include out-of-state sales in your container count. Only beverage containers that are sold/transferred in California must be reported to the Department.

NOTE: The container count must also include all samples, donations, promotional items, give-aways, employee sales and consumption that occurred during the applicable reporting period.

**Item 12: *Unit Fee*** – Enter the per container processing fee rate for each container count reported. That is the “unit fee.” Be sure to use the processing fee rate that is applicable to the reporting period.

**Item 13: *Processing Fee*** – Multiply the container count by the processing fee (unit fee) per container and enter the total here.

**Container Count (Item 11) x Unit Fee (Item 12) = Processing Fee (Item 13)**

**Item 14: *Total Due*** – Add all the processing fee amounts listed in Item 13 and enter the total here.

**Items 15-16: *Manufacturer's Signature/Title and Date*** – The authorized representative of the manufacturer's business must sign and date the report. By signing the report, the authorized representative binds the company and represents that he/she has verified the information presented and believes that it is correct. The signature is a sworn statement to that effect and must be an original. No rubber stamps or facsimiles will be accepted.

**Item 17: *Form Serial Number (FSN)*** – This number identifies a specific report. When amending reports or making inquiries, this number must be included on the amended report and in any correspondence.

NOTE: The DR-4 submitted to the Department must contain the original signature of company's authorized representative (14CCR, Section 2090(d)(4)).

Keep the bottom copy of the DR-4 for your records.

Mail the top copy of the completed form with the original signature and your payment to:

Department of Conservation  
P.O. Box 277820  
Sacramento, CA 95827  
Attn: PRPS Unit

# BEVERAGE MANUFACTURER REPORT

STATE OF CALIFORNIA - The Resources Agency  
DEPARTMENT OF CONSERVATION  
Division of Recycling  
DR-4 (1/00)



PRINTED ON RECYCLED PAPER

FOR STATE USE ONLY

CCN

**1**

FOR STATE USE ONLY

POSTMARK

AMOUNT

REC'D BY

**2**

COMPANY NAME **3**

ADDRESS **3**

ID# **4**

REPORTING PERIOD **5** THRU **5**

**6** AMENDMENT TO FSN **6**

CONTACT PERSON **7**

TELEPHONE NUMBER **8**








**9** CHECK THIS BOX IF YOU DO NOT HAVE ANYTHING TO REPORT THIS PERIOD.

**9** CHECK THIS BOX IF YOU HAVE A CHANGE OF ADDRESS.

**9** CHECK THIS BOX IF THERE IS A CHANGE OF OWNERSHIP  
EFFECTIVE DATE : \_\_\_\_\_

**9** CHECK THIS BOX IF YOU CLOSED THIS BUSINESS.  
EFFECTIVE DATE : \_\_\_\_\_

## REDEEMABLE CONTAINERS SOLD OR TRANSFERRED

MATERIAL TYPE ASSESSED PF	CONTAINER COUNT	X	UNIT FEE	=	PROCESSING FEE
GLASS					.
PLASTIC PETE 					.
PLASTIC HDPE 					.
PLASTIC VINYL 					.
PLASTIC LDPE <b>10</b> 	<b>11</b>		<b>12</b>		<b>13</b> .
PLASTIC PP 					.
PLASTIC PS 					.
OTHER PLASTIC 					.
BIMETAL					.
TOTAL DUE					<b>14</b> .

INTEREST AT THE RATE EARNED BY THE POOLED MONEY INVESTMENT ACCOUNT AND CIVIL PENALTIES OF UP TO 15 PERCENT OF THE AMOUNT DUE FOR PAYMENT MAY BE ASSESSED FOR EACH UNDER PAYMENT OR LATE PAYMENT. IN ADDITION, CIVIL PENALTIES OF UP TO FIVE THOUSAND DOLLARS (\$5,000) PER DAY MAY BE ASSESSED FOR FAILURE TO REPORT. I CERTIFY UNDER PENALTY OF PERJURY THAT THE FACTS PRESENTED HEREIN ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

**15**

MANUFACTURER'S SIGNATURE/TITLE

**16**

DATE

FORM SERIAL NUMBER (FSN):

**17**

RETURN TO DEPARTMENT OF CONSERVATION, P.O. BOX 277820, SACRAMENTO, CA 95827

# BEVERAGE MANUFACTURER REPORT

STATE OF CALIFORNIA - The Resources Agency  
DEPARTMENT OF CONSERVATION  
Division of Recycling  
DR-4 (1/00)



PRINTED ON RECYCLED PAPER

FOR STATE USE ONLY

CCN

FOR STATE USE ONLY

POSTMARK

AMOUNT

REC'D BY

COMPANY NAME Potomac Brewing Corporation

CONTACT PERSON Paul Reed

ADDRESS 1776 Constitution Avenue

TELEPHONE NUMBER (201) 371-8800

Washington, DC 19964

ID# BM 8967

REPORTING PERIOD 01 01 06 THRU 01 31 06

☐ AMENDMENT TO FSN 

--	--	--	--	--	--	--	--








☐ CHECK THIS BOX IF YOU DO NOT HAVE ANYTHING TO REPORT THIS PERIOD.

☐ CHECK THIS BOX IF YOU HAVE A CHANGE OF ADDRESS.

☐ CHECK THIS BOX IF THERE IS A CHANGE OF OWNERSHIP  
EFFECTIVE DATE : \_\_\_\_\_

☐ CHECK THIS BOX IF YOU CLOSED THIS BUSINESS.  
EFFECTIVE DATE : \_\_\_\_\_

## REDEEMABLE CONTAINERS SOLD OR TRANSFERRED

MATERIAL TYPE ASSESSED PF	CONTAINER COUNT	X	UNIT FEE	=	PROCESSING FEE
GLASS	155,275		.00229		355.57
PLASTIC PETE 	33,234		.00159		52.84
PLASTIC HDPE 	110,862		.00503		557.63
PLASTIC VINYL 					.
PLASTIC LDPE 					.
PLASTIC PP 					.
PLASTIC PS 					.
OTHER PLASTIC 					.
BIMETAL					.
TOTAL DUE					966.04

INTEREST AT THE RATE EARNED BY THE POOLED MONEY INVESTMENT ACCOUNT AND CIVIL PENALTIES OF UP TO 15 PERCENT OF THE AMOUNT DUE FOR PAYMENT MAY BE ASSESSED FOR EACH UNDER PAYMENT OR LATE PAYMENT. IN ADDITION, CIVIL PENALTIES OF UP TO FIVE THOUSAND DOLLARS (\$5,000) PER DAY MAY BE ASSESSED FOR FAILURE TO REPORT. I CERTIFY UNDER PENALTY OF PERJURY THAT THE FACTS PRESENTED HEREIN ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

Paul Reed, Owner

MANUFACTURER'S SIGNATURE/TITLE

03/08/06

DATE

FORM SERIAL NUMBER (FSN):

RETURN TO DEPARTMENT OF CONSERVATION, P.O. BOX 277820, SACRAMENTO, CA 95827

40115743

## SECTION IV – Distributor Recordkeeping and Reporting Procedures

### A. Definition

A distributor is every person who engages in the sale of beverages in beverage containers to a dealer in California, including any manufacturer who engages in these sales, and any person who imports beverages from outside of California for sale to dealers or consumers in California (PRC, Section 14511).

### B. Applicability

Every distributor shall pay to the Department the redemption payment for every beverage container, other than a refillable beverage container, sold or transferred to a dealer, less one point five percent (1.5%) for the distributor's administrative costs (PRC, Section 14574(a) and 14CCR Section 2320).

### C. Recordkeeping

Below is a listing of the records that must be maintained by distributors. Please refer to the referenced sections of 14CCR for specific record information:

- Receipt of Beverage Containers. Records, by individual sale or transfer, of all beverage containers received (14CCR, Section 2305(a)).
- Sale or Transfer of Beverage Containers. Records, by individual sale or transfer, of all beverage containers sold or transferred to other distributors, dealers or consumers (14CCR, Section 2305(b)).
- Distributor Reports (DR-3) and Payments. Copies of all DR-3 reports and proof of redemption payments made to the Department (14CCR, Section 2305(c)).
- Disposition of Rejected Containers. Records shall include receipts or statements signed by the recycling center, processor or other recipient. Receipts shall state the weight by material type and any payment or credit granted (14CCR, Section 2305(d)).

### D. Procedures for Completing Distributor Report (DR-3) Forms

NOTE: An itemized copy of the DR-3 described in the procedures below can be found on page 20, and a sample of a completed DR-3 on page 21 of this manual.

**Items 1-2: CCN – Do not enter any information for these items.** These items are completed by the service contractor.

**Item 3: *Name and Address*** – Enter the name and address of your company, as it appears on the Department of Alcoholic Beverage Control's Certificate of Compliance or the Board of Equalization (BOE) Seller's permit.

**Item 4: *Reporting Period*** – Enter the first and last dates of the month being reported. (e.g., 01/01/06- 01/31/06).

NOTE: This period must be from the first day of the month through the end of the same month.

**Item 5: *Amendment to FSN (Form Serial Number)*** – Check this box if the report will amend a previously submitted report that has already been processed by the service contractor. Include the form serial number (Item 19) of the original report in this box.

**Item 6: *Contact Person*** – Enter the name of the person who may be contacted by the service contractor to answer questions or clarifications about the report.

**Item 7: *Telephone Number*** – Enter the telephone number of the contact person, including the area code.

**Item 8: *Distributor Identification Number*** – Enter the six-digit identification number assigned by the Department. This is a two-digit alpha, four-digit numeric identification number.

**DS\_\_ \_\_ \_\_ \_\_ is the only valid identification number format.**

**Beverage distributors are required to use their designated DS ID number when submitting DR-3 reports and remitting their CRV payments to the Department.**

**Item 9: *Check Boxes*** – Check any appropriate box and, if applicable, provide the new information as a separate enclosure with the DR-3.

NOTE: If you have nothing to report for this time period, check the appropriate box, complete items 17 and 18 and submit the report.

## **PART I – Payment Report**

**Item 10: *Container Count*** – Enter the count, by material type and size, of the beverage containers your company sold or transferred to dealers or consumers in California.

NOTE: The container count must include all samples, donations, promotional items, give-aways, employee sales and consumption that occurred during the reporting period.

**Item 11: *Redemption Payment*** (CRV Payment) – Enter the calculated redemption payment, by container type and size, for all counts listed (Item 10). Redemption payments are calculated as follows:

**Container Count (Item 10) x Per Container Redemption Payment Rate = Redemption Payment**

Examples: 167,895 (aluminum < 24 oz.) x **\$0.05** = \$8,394.75  
56,024 (PET ≥ 24oz.) x **\$0.10** = \$5,602.40

Be sure to use the redemption rate applicable to the reporting period.

**Item 12: *Total*** – Sum the Redemption Payment (CRV amounts) listed in Item 11 and enter the total here.

**Item 13: *Subtract Administrative Fee (%)*** – Calculate the total amount of administrative fees withheld and enter amount here.

NOTE: The current administrative fee percentage published by the Department is 1.5% (0.015 is the decimal equivalent).

Administrative fees should be calculated as follows:

**Item 12 x Administrative Fee Percentage\* = Administrative Fee**

Example: \$15,028.52 x **0.015** = **\$225.42**

\*Reporting periods January 1, 2000 through September 30, 2006, subtract a 1% (0.01) administrative fee from the sub-total amount.

\*Reporting periods beginning October 1, 2006 reporting period and onwards, subtract a 1.5% (0.015) administrative fee from the sub-total amount.

**Item 14: *Total Due*** – Subtract the calculated administrative fee to be withheld (Item 13) from the total redemption payment (Item 12) and enter difference here.

Example: \$15,028.52 - **\$225.42** = **\$14,803.10**

## **PART II - Refillable Containers**

NOTE: If your company did not sell or transfer any refillables, or did not have any refillable containers returned during the reporting month, enter zero (0) for Items 15-16. If you had sales, transfers or returns of refillable containers, begin with instructions for Item 15.

**Item 15: *Refillable Containers Sold or Transferred Container Count*** – Enter the count of refillable glass beverage containers sold or transferred to dealers or consumers in California.

**Item 16: *Refillable Containers Returned Container Count*** – Enter the count of refillable glass beverage containers returned to you.

**Item 17 & 18: *Distributor Signature and Date*** – The authorized representative of the distributor's business must sign and date the report. By signing the report, the authorized representative binds the company and represents that he/she has verified the information presented and believes that it is correct. The signature is a sworn statement to that effect and must be an original. No rubber stamps or facsimiles will be accepted.

**Item 19: *Form Serial Number (FSN)*** – This number identifies a specific report. When submitting amended reports or making inquiries, this number must be included on the amended report and in any correspondence.

NOTE: The copy of the DR-3 submitted to the Department must include the original signature of company's authorized representative.

Keep the bottom copy of the report form for your records. Mail the top copy of the form with the original signature to:

Department of Conservation  
P.O. Box 277820  
Sacramento, CA 95827  
Attn: PRPS Unit

**DISTRIBUTOR REPORT**

STATE OF CALIFORNIA - The Resources Agency  
DEPARTMENT OF CONSERVATION  
Division of Recycling  
DR-3 (7/07)



PRINTED ON RECYCLED PAPER

FOR STATE USE ONLY

CCN

**1**

FOR STATE USE ONLY

POSTMARK

AMOUNT

REC'D BY

**2**

COMPANY NAME

**3**

CONTACT PERSON

**6**

ADDRESS

**3**

PHONE NUMBER

**7**

DISTRIBUTOR ID#

**8**

REPORTING PERIOD

MM **4** YY

THRU

MM **4** YY**9**

CHECK THIS BOX IF YOU HAVE A CHANGE OF ADDRESS.

**5**

AMENDMENT TO FSN

**5****9**

CHECK THIS BOX IF YOU HAVE CLOSED THIS BUSINESS

## PART I - PAYMENT REPORT

**REDEEMABLE CONTAINERS SOLD OR TRANSFERRED****UNDER 24 OUNCE CONTAINERS**

MATERIAL	CONTAINER COUNT	RATE	CRV
ALUMINUM		X.CRV= \$	.
GLASS		X.CRV= \$	.
PLASTIC PETE		X.CRV= \$	.
PLASTIC HDPE		X.CRV= \$	.
PLASTIC VINYL	<b>10</b>	X.CRV= \$	<b>11</b> .
PLASTIC LDPE		X.CRV= \$	.
PLASTIC PP		X.CRV= \$	.
PLASTIC PS		X.CRV= \$	.
OTHER PLASTIC		X.CRV= \$	.
BIMETAL		X.CRV= \$	.

**24 OUNCE AND LARGER CONTAINERS**

MATERIAL	CONTAINER COUNT	RATE	CRV
ALUMINUM		X.CRV= \$	.
GLASS		X.CRV= \$	.
PLASTIC PETE		X.CRV= \$	.
PLASTIC HDPE		X.CRV= \$	.
PLASTIC VINYL	<b>10</b>	X.CRV= \$	<b>11</b> .
PLASTIC LDPE		X.CRV= \$	.
PLASTIC PP		X.CRV= \$	.
PLASTIC PS		X.CRV= \$	.
OTHER PLASTIC		X.CRV= \$	.
BIMETAL		X.CRV= \$	.

(SUM OF TOTALS ABOVE) = TOTAL:

**12**

(TOTAL X ADMIN FEE RATE) = ADMIN FEE:

**13**

(TOTAL - ADMIN FEE) = CRV DUE:

**14****9** CHECK THIS BOX IF YOU DO NOT HAVE ANYTHING TO REPORT THIS PERIOD.

PART II - REFILLABLES (if nothing to report please enter zero on all fields)

MATERIAL	REFILLABLE CONTAINERS SOLD OR TRANSFERRED
GLASS	<b>15</b>
OTHER	
MATERIAL	REFILLABLE CONTAINERS RETURNED
GLASS	<b>16</b>
OTHER	

**SIGNATURE**

INTEREST AT THE RATE EARNED BY THE POOLED MONEY INVESTMENT ACCOUNT AND CIVIL PENALTIES OF UP TO 15 PERCENT OF THE AMOUNT DUE FOR PAYMENT MAY BE ASSESSED FOR EACH UNDERPAYMENT OR LATE PAYMENT. IN ADDITION, CIVIL PENALTIES OF UP TO FIVE THOUSAND DOLLARS (\$5,000) PER DAY MAY BE ASSESSED FOR FAILURE TO REPORT. I CERTIFY UNDER PENALTY OF PERJURY THAT THE FACTS PRESENTED HEREIN ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

**17**

DISTRIBUTOR'S SIGNATURE

**18**

DATE

FORM SERIAL NUMBER (FSN):

**19**

**DISTRIBUTOR REPORT**

STATE OF CALIFORNIA - The Resources Agency  
DEPARTMENT OF CONSERVATION  
Division of Recycling  
DR-3 (7/07)



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FOR STATE USE ONLY

CCN

FOR STATE USE ONLY

POSTMARK

AMOUNT

REC'D BY

COMPANY NAME *Mock Distributing, Inc.*CONTACT PERSON *Carl Carlyle*ADDRESS *1776 Winding Way*PHONE NUMBER *(918) 887-5643**Independence, CA 98989*DISTRIBUTOR ID# *DS 8776*REPORTING PERIOD *07.01.07* THRU *07.31.07*☐ CHECK THIS BOX IF YOU HAVE A CHANGE OF ADDRESS.☐ AMENDMENT TO FSN☐ CHECK THIS BOX IF YOU HAVE CLOSED THIS BUSINESS

## PART I - PAYMENT REPORT

**REDEEMABLE CONTAINERS SOLD OR TRANSFERRED****UNDER 24 OUNCE CONTAINERS**

MATERIAL	CONTAINER COUNT	RATE X.05=	CRV
ALUMINUM	175,895	X.CRV= \$	8,794.75
GLASS		X.CRV= \$	.
PLASTIC PETE	1,600	X.CRV= \$	80.00
PLASTIC HDPE		X.CRV= \$	.
PLASTIC VINYL		X.CRV= \$	.
PLASTIC LDPE		X.CRV= \$	.
PLASTIC PP		X.CRV= \$	.
PLASTIC PS		X.CRV= \$	.
OTHER PLASTIC		X.CRV= \$	.
BIMETAL		X.CRV= \$	.

☐ CHECK THIS BOX IF YOU DO NOT HAVE ANYTHING TO REPORT THIS PERIOD.

PART II - REFILLABLES (if nothing to report please enter zero on all fields)

MATERIAL	REFILLABLE CONTAINERS SOLD OR TRANSFERRED CONTAINER COUNT
GLASS	
OTHER	
MATERIAL	REFILLABLE CONTAINERS RETURNED CONTAINER COUNT
GLASS	
OTHER	

**SIGNATURE**

INTEREST AT THE RATE EARNED BY THE POOLED MONEY INVESTMENT ACCOUNT AND CIVIL PENALTIES OF UP TO 15 PERCENT OF THE AMOUNT DUE FOR PAYMENT MAY BE ASSESSED FOR EACH UNDERPAYMENT OR LATE PAYMENT. IN ADDITION, CIVIL PENALTIES OF UP TO FIVE THOUSAND DOLLARS (\$5,000) PER DAY MAY BE ASSESSED FOR FAILURE TO REPORT. I CERTIFY UNDER PENALTY OF PERJURY THAT THE FACTS PRESENTED HEREIN ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.

*Carl Carlyle*

DISTRIBUTOR'S SIGNATURE

*08/15/07*

DATE

FORM SERIAL NUMBER (FSN):

**30153150****24 OUNCE AND LARGER CONTAINERS**

MATERIAL	CONTAINER COUNT	RATE X.10=	CRV
ALUMINUM	32,090	X.CRV= \$	3,209.00
GLASS	15,045	X.CRV= \$	1,504.50
PLASTIC PETE	66,024	X.CRV= \$	6,602.40
PLASTIC HDPE		X.CRV= \$	.
PLASTIC VINYL		X.CRV= \$	.
PLASTIC LDPE		X.CRV= \$	.
PLASTIC PP		X.CRV= \$	.
PLASTIC PS		X.CRV= \$	.
OTHER PLASTIC		X.CRV= \$	.
BIMETAL		X.CRV= \$	.

(SUM OF TOTALS ABOVE) = TOTAL: *20,190.65*(TOTAL X ADMIN FEE RATE 0.015) = ADMIN FEE: *302.85*(TOTAL - ADMIN FEE) = CRV DUE: *19,887.80*For more information, visit our website at: [www.conservation.ca.gov](http://www.conservation.ca.gov)

RETURN TO DEPARTMENT OF CONSERVATION, P.O. BOX 277820, SACRAMENTO, CALIFORNIA 95827

## SECTION V – REFERENCE INFORMATION

### A. Frequently Asked Questions and Answers

#### **When is my monthly report and payment due?**

Beverage Manufacturer Reports (DR-4) and associated processing fees must be submitted by the 10th day of the second month following the month of sales (e.g., January 2006 reports and payments are due by March 10, 2006; February 2006 due by April 10, 2006, etc.).

Distributor Reports (DR-3) and associated redemption payments must be received by the 30th or, the last day of the third month following the month of sales (e.g., February 2006 must be received by May 31, 2006; sales incurred in March 2006 are due by June 30, 2006).

#### **Do I have to report and pay every month? Can I report and make payments on an annual basis?**

Yes, participants usually report and pay on a monthly basis. However, distributors may be eligible to pay on an annual basis if their projected redemption payments for a calendar year total **less than fifty thousand dollars (\$50,000)**. Beverage manufacturers may pay on an annual basis if their projected processing fee payments for a calendar year total **less than ten thousand dollars (\$10,000)**.

Participants approved by the Department as annual payers have the option to either make a single payment (per BM ID# or DS ID#) for the full calendar year's sales by February 1<sup>st</sup> of the following year or, continue to pay monthly, quarterly, or semi-annually as long as all of the payments for the full calendar year are submitted to the Division no later than the February 1<sup>st</sup> due date.

#### **Where do I find the current rates for redemption payments and processing fees?**

Updated Historical Reporting Rates can be obtained online at:  
[http://www.conservation.ca.gov/dor/dmr/bev\\_dist\\_manuf/Pages/index.aspx](http://www.conservation.ca.gov/dor/dmr/bev_dist_manuf/Pages/index.aspx)

Processing fee notices are published annually in mid-December and are also posted on the Department's website at: <http://www.consrv.ca.gov/DOR/Notices/Index.htm>

For the most current rates, please contact the Client Services Section at (916) 327-7361 or (916) 323-1835.

**I don't manufacture beverages. Why is my company a beverage manufacturer?**

In the Act, the term beverage manufacturer includes each company that is introducing filled beverage containers to California's market. This includes companies that fill beverage containers in California and companies that import filled containers from other states and countries into California.

The Act also includes a special stipulation about which company is the beverage manufacturer when the beverage is beer or other malt beverages. For these types of beverages, the beverage manufacturer is the company named on the Certificate of Compliance issued by the Department of Alcoholic Beverage Control (ABC) pursuant to Section 23671 of the Business and Professions Code.

**My company is a beverage manufacturer. Why do I have to pay processing fees on some containers but not aluminum?**

When the scrap value received by recyclers for a material type is lower than the actual cost to recycle, the recycler receives a processing payment. The Department pays certified recycling programs the processing payment, which is the difference between the material's costs of recycling and the scrap value. In the case of aluminum, the scrap value received by recyclers is greater than the actual cost to recycle.

Questions about the determination of processing fees should be directed to the Division's Market Research Branch at (916) 323-5778.

**Where do I submit my monthly reports and payments?**

All completed Beverage Manufacturer Reports (DR-4) and Distributor Reports (DR-3) and corresponding payments should be mailed to:

Department of Conservation  
P.O. Box 277820  
Sacramento, CA 95827  
Attn: PRPS Unit

For overnight deliveries and other services requiring a street address, use the following:

Department of Conservation  
Division of Recycling  
801 K Street, MS 22-15  
Sacramento, CA 95814-3533  
Attn: Accounting Office

## **How and where can I request for additional report forms?**

Phone, fax or mail a request for more forms to:

IKON Office Solutions Inc.  
Attn: PRPS UNIT - Order Department  
3062 Prospect Park Drive, Suite A  
Sacramento, CA 95670

Phone: (916) 852-1010  
Fax: (916) 638-0909

## **How should I maintain my records in preparation for a future audit?**

**For monthly reports:** Make sure that copies of your reports are filled or batched together with pertinent copies of invoices and other documents (for example: bills of lading, receipts of returns etc.) according to specific reporting period(s) or when adjusting previously submitted reports and payments due to out-of-state sales, returns or overpayments.

**For annual reporters:** Copies of invoices and other documents (i.e., bills of lading, receipt of returns etc.) used as the source of information or basis for container count of beverage sales for the same year.

## **What are the most common reporting and payment errors found in a participant audit, particularly during the Distributor's CRV Sales Summary Test?**

1. Did not report some CRV products because they weren't identified (or coded) as CRV products.
2. Included sales of non-CRV products.
3. Reported products coded/reported using the wrong container size (i.e., 24 oz., or 24 oz. or more).
4. Reported products coded/reported using the wrong container material type.
5. Calculated container totals using the wrong case amount.
6. Reported case totals instead of individual container totals.
7. Reported sales to other distributors.
8. Did not report sales to retail dealers.
9. Did not report samples, donations, give-aways/promotional items, or employee consumption.

10. Did not exclude out-of-state sales.
11. Did not report sales based on supplier(s) invoice not charging CRV.
12. Reported sales incorrectly due to clerical error/manual preparation errors (i.e., wrong calculation, transpositions, etc.)
13. Did not include all beverage sales in California.
14. Added administrative fee instead of subtracting it from the sub-total amount.

**What are the most common reporting and payment errors found in a participant audit, particularly during the Beverage Manufacturer's Processing Fee Test?**

1. Did not report processing fees because products were not identified (or coded) as CRV products.
2. Reported too much processing fees because non-CRV products were included.
3. Reported using the wrong processing fee (unit fee) rate for a specific reporting period or calendar year.
4. Participant's reports did not include all sales.
5. Did not report the sales made to other distributors/retail dealers.
6. Reported product using the wrong beverage container material type.
7. Did not exclude out-of-state sales.
8. Calculated container totals using the wrong case amount.
9. Reported case totals instead of individual container totals.
10. Reported sales incorrectly due to clerical or data entry errors.
11. Did not report or pay processing fees on imported beverage products and out-of-state suppliers have not chosen to report and pay processing fees on behalf of the participant.

**How can I be sure my labels comply with the Act?**

You can obtain a copy of the *California Beverage Container Labeling Guide* that explains which containers need to be labeled and how they must be labeled. You can also have the Department's Client Services Section review your labels. Call the Department at (916) 327-7361 to request labeling assistance and/or a copy of the labeling guide and poster (PRC, Section 14561).

**Does the CRV message have to be all in uppercase or capitalized?**

It doesn't, however, the minimum lettering height requirements apply to all letters in the message. If CRV message is a combination of upper and lowercase letters, both have to meet the minimum height and not just the uppercase letters (14CCR, Section 2200).

**What is a secondary label?**

Any label, other than the main body label, such as a neck or back label.

**How can I contact the Division?**

To get more information about requirements for Beverage Distributors and Beverage Manufacturers:

Write to:

Department of Conservation  
Division of Recycling  
801 K Street, MS 15-29  
Sacramento, CA 95814-3533

Or call: (916) 327-7361

Or fax: (916) 327-2787

Or access information online:

[http://www.conservation.ca.gov/dor/dmr/bev\\_dist\\_manuf/Pages/index.aspx](http://www.conservation.ca.gov/dor/dmr/bev_dist_manuf/Pages/index.aspx)

**What other California agencies should I contact?**

1. Manufacturers of beer and other malt beverages are required to submit their product label to Department of Alcoholic Beverage Control prior to its sale in California to determine if product complies with specific content labeling requirements.

For more information contact:

Department of Alcoholic Beverage Control (ABC)  
Business Practices Unit  
3927 Lennane Drive, Suite 100  
Sacramento, CA 95834

Phone: (916) 419-2500  
[www.abc.ca.gov](http://www.abc.ca.gov)

2. California's Rigid Plastic Packaging Container Law (PRC, Section 42300 et seq.) was passed in October 1991. It requires every rigid plastic container, as defined, sold or offered for sale in the State to meet specified criteria. To learn more, contact:

California Integrated Waste Management Board (CIWMB)  
1001 I Street  
Sacramento, CA 95814

Phone: (916) 341-6000  
[www.ciwmb.ca.gov](http://www.ciwmb.ca.gov)

3. Proposition 65 passed as a ballot measure in November 1986. It requires warnings for exposure to chemicals known to the State, which cause cancer or reproductive toxicity. For alcoholic beverages, including beer and malt products, warnings must be provided at the point of sale. For additional information contact:

Office of Environmental Health and Hazard Assessment (OEHHHA)  
Proposition 65 Implementation  
1001 I Street, MS19-B  
Sacramento, CA 95814

[www.oehha.ca.gov](http://www.oehha.ca.gov)

4. The Food and Drug Branch of the Department of Health Services licenses all water bottling plants and bottled water products distributed in California. If you produce bottled water, you must contact the Food and Drug Branch to obtain a license to distribute it in California. License fees depending on production quantities.

Department of Health Services (DHS)  
Food and Drug Branch  
PO Box 997413, MS7602  
Sacramento, CA 95899

Phone: (916) 650-6500  
[www.dhs.ca.gov/fdb](http://www.dhs.ca.gov/fdb)

## **B. California Beverage Container Recycling and Litter Reduction Act (Revised 03/06)**

### **GLOSSARY**

This glossary lists definitions of terms used throughout this manual. References to the applicable statute and regulations are included.

#### **Act**

The California Beverage Container Recycling and Litter Reduction Act (PRC, Division 12.1, beginning with Section 14500).

#### **Beverage**

Beverage containers covered under the Act are those containers filled with:

- beer and other malt beverages
- wine coolers and distilled spirit coolers
- carbonated and noncarbonated mineral and soda waters
- carbonated and noncarbonated waters
- carbonated and noncarbonated soft drinks
- sports drinks
- carbonated and noncarbonated fruit drinks (with any percentage of fruit juice)
- coffees,
- tea drinks
- vegetable juices (16 ounces or less)

Beverages covered under the Act must be in liquid and ready-to-drink form, intended for human consumption, and sold in aluminum, glass, plastic and bimetal containers.

“Beverage” does not include:

- wine, or wine from which alcohol has been removed in whole or in part, whether or not sparkling or carbonated
- milk
- medical food
- infant formula
- 100% fruit juice in containers 46 ounces or greater in volume

A beverage that is not sold in aluminum, glass, plastic or bimetal is excluded.

“Beverage Container” means the individual, separate bottle, can, jar, carton, or other receptacle, however denominated, in which a beverage is sold and, which is constructed of aluminum, glass, plastic or bimetal. (PRC, Section 14504(b)).

### **Beverage Container**

The individual, separate bottle, can, jar, carton, or other receptacle, however denominated, in which a beverage is sold, and which is constructed of aluminum, glass, plastic (Nos. 1-7) or bimetal (PRC, Section 14505).

### **Beverage Manufacturer**

Any person who bottles, cans, or otherwise fills beverage containers, or imports filled beverage containers, for sale to distributors, dealers, or consumers (PRC, Section 14506).

A beverage manufacturer includes any person who imports filled beverage containers, including:

- (A) Any consignee of filled beverage containers whose products are brought into California from other states or countries, when the filled beverage containers are for delivery, use or sale in California.
- (B) Any person or entity to which delivery is first made in California of filled beverage containers brought into California from other states or countries, when the filled beverage containers are for delivery, use or sale in California.
- (C) Any person or entity bringing filled beverage containers into California from other states or countries, which are not consigned to any person, when the filled beverage containers are for delivery, use, or sale in California (14CCR, Section 2000(a)(3.2).

The out-of-state entity that is named on the certificate of compliance issued by the Department of Alcoholic Beverage Control is the beverage manufacturer for the purpose of payment of processing fees for beer and other malt beverages manufactured outside California if shipment is made into California (PRC, Section 14575(h)(2)(A) and 14CCR, Section 2230 (b)).

The in-state beverage manufacturer is generally responsible for the reporting and payment of processing fees for wine and distilled spirit coolers, carbonated and noncarbonated mineral and soda water, carbonated and noncarbonated water, carbonated soft drinks and sport drinks, carbonated and noncarbonated fruit drinks, coffee and tea drinks.

### **Consignee**

Any person to whom something especially goods, is handed over or, delivered to.

### **Consumer**

Every person who purchases a beverage (for his/her own consumption) in a beverage container from a dealer. "Consumer" includes, but is not limited to, a lodging, eating, or drinking establishment, and soft drink vending machines (PRC, Section 14508).

**Container Manufacturer**

Any person who produces beverage containers for filling by beverage manufacturers, including any person who imports these beverage containers from outside of this state for filling by beverage manufacturers (PRC, Section 14509).

**Dealer**

A dealer is retail establishment that offers the sale of beverages in beverage containers to consumers. However, any lodging, eating, or drinking establishment, or soft drink vending machine operator who engages in the sale of beverages in beverage containers to consumers shall not be deemed a dealer for purposes of this division, except that these sales are subject to redemption payments under PRC 14560 (PRC, Section 14510).

**Delivered / Delivery**

Delivered or delivery means physically taking possession of the material.

**Department**

Department of Conservation.

**Division**

Department of Conservation, Division of Recycling.

**Distributor**

Every person who engages in the sale of beverages in beverage containers to a dealer in this state, including any manufacturer who engages in these sales. "Distributor" includes any person who imports beverages from outside of this state for sale to dealers or consumers in this state (PRC, Section 14511).

**Exporting**

The act of sending a filled or unfilled empty beverage containers or empty beverage container components permanently out of this state (14CCR, Section 2000(a)(23)).

**Importing**

The act of bringing into this State a filled or unfilled empty beverage container or empty beverage container component (14CCR, Section 2000(a)(26)).

**Line Breakage**

Pre-consumer material that is recycled or disposed of by a container manufacturer, beverage manufacturer, distributor or dealer (14CCR, Section 2000(a)(27.6)).

**Location**

The street address or facility where the company operates (14CCR, Section 2000(a)(28)).

**Processing Fee**

The amount paid by beverage manufacturers to the Department pursuant to PRC, Section 14575 (PRC, Section 14518.4).

**Redeemable Beverage Container**

A container identified with "CA Redemption Value", "California Redemption Value", "CA Cash Refund", "California Cash Refund" or, "CA CRV" sold in California, which has an established refund value (14CCR, Section 2000(a)(38)).

**Redemption Payment**

The minimum amount paid by a distributor to the Department for every beverage container sold or transferred to a dealer (PRC, Section 14523).

**Refillable Beverage Containers**

Any aluminum beverage container, bimetal beverage container, glass beverage container, plastic beverage container, or other beverage container holding 150 fluid ounces or less of beverage which has a minimum deposit of three cents (\$0.03) and which ordinarily would be returned to the manufacturer to be refilled and resold (PRC, Section 14525).

**Rejected Containers**

A California redemption labeled beverage container, which a container manufacturer or beverage manufacturer elects to recycle or dispose of without paying any applicable processing fee, or which a distributor elects to recycle or dispose of without paying the redemption payment. "Rejected containers" includes container tops, lids, or other components which contain the "CA Redemption Value", "California Redemption Value", "California Cash Refund", "CA Cash Refund" or "CA CRV" message (14CCR, Section 2000(a)(41)).

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